

Department of Energy

Washington, DC 20585

SEP 1 1 2003

MEMORANDUM FOR GERALD E. GREEN

DIRECTOR, OFFICE OF INSTITUTIONAL

AND JOINT PROGRAMS

NATIONAL MICLEAR SECURITY ADMINISTRATION

FROM:

ACTING DIRECTOR, OFFICE OF MANAGEMENT, BUDGET AND EVALUATION/ACTING CHIEF FINANCIAL OFFICER

SUBJECT:

Department of Homeland Security Reimbursable Work

This is in response to your organization's request for clarification of whether work received from the United States Army Medical Research and Materials Command (AMRMC), serving as procurement agent for the Department of Homeland Security (DHS), qualifies for the pricing exception afforded work directly received and funded by DHS.

The above-referenced request stated that as DHS is unable to process procurement funding transactions, AMRMC is acting in this capacity for DHS. Discussions with DHS staff, as well as an Interagency Agreement between DHS and AMRMC, confirm this relationship. Therefore, funding received from AMRMC should be treated the same as if received directly from DHS. Specifically, as long as the Interagency Agreement between DHS and AMRMC is in effect, work received in this manner from AMRMC for DHS will not be required to pay administrative costs including the Federal administrative charge, general site safeguard and security costs, or personnel costs in excess of the amount that DOE programs incur for their own work requirements. However, if a project calls for safeguard and security requirements beyond those normally provided by DOE for conduct of its own activities. DHS will be charged an amount equal to those special requirements which are directly attributable to the project.

Should you have any questions, please contact Greg Dulovich at (202) 586-0462.

co: Antionette Joseph, SC-7 Dennis Olona, NA-116